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## COORDINATION OF FEDERAL, STATE, AND MUNICI-PAL EMPLOYMENT BUREAUS

## By Henry Rogers Seager Columbia University

Iteration, reiteration, and rereiteration have made every American schoolboy familiar with the thought that the present war is not a contest of armies merely but a contest of the whole complex of industries essential to the maintenance of efficient armies in the field. If the Allies are to beat the Central powers, they must beat them in the production of food, of munitions, and of aeroplanes; and they must add to their equipment ships and ever more ships to transport these essential supplies safely past lurking submarines to the distant battlefields. This means, if it means anything, that the mustering of an industrial army is quite as essential a part of our war program as the mustering of an efficient military army.

With these facts universally conceded, why has the problem of supplying our war industries with the hosts of workers they require thus far received so little attention in Washington? One reason for this stands out prominently. While it was recognized from the outset that it was the government's business to muster the army, the task of directing the industries necessary to equip the army has thus far been left largely to private business men spurred on by the expectation of making profits out of war contracts. Looking chiefly to private employers to supply the war needs, the government's first inclination has been to leave it to them to devise ways and means of securing workers for their shops and factories. Up to the comparatively recent past, private employers have seemed to justify the confidence that has been reposed in them. They have built cantonments for the soldiers, have built and equipped new factories and shipyards, and through private employment bureaus or agents employed by themselves have drawn thousands and hundreds of thousands of workers into the war industries. To this accomplishment the government has of course contributed something. Agents of the federal employment service and of the state and municipal public employment bureaus have helped to supply workers. In this service they have been aided by the state councils of defense, especially in connection with plans for supplying farm workers to swell our national food production.

While numerous and important, these governmental contributions to the mustering of the needed industrial army have lacked coördination and unified purpose. We have drifted rather than planned, and have been able to do so because only recently has what was from the first a theoretical need become a pressing practical need.

At the present moment we need vitally a carefully coördinated plan for securing for our war industries the hundreds of thousands of skilled and unskilled workers they require for two reasons: first, for lack of such a plan in efficient operation, the industrial side of our war program is not going forward as it should; second, private employers, in their efforts to meet their own requirements, are beginning to steal employees from other employers, causing demoralization and loss in efficiency to the whole industrial organization.

Naturally the men who are in responsible relation to the laborsupply situation, the officials of the public employment bureaus, were among the first to appreciate this need. At the annual meeting of the Association of Public Employment Officials in 1916 a committee was appointed to confer with the Department of Labor on the subject. Out of these conferences and other endeavors in the same direction grew a bill, which I had the honor of presenting to the Association at its meeting in Milwaukee last September, and which was unanimously endorsed.

The principal features of this bill, no one of them original in the sense of being put forward there for the first time, were:

- 1. Concentration of the employment activities of the federal government under a director of the Federal Employment Service in the Department of Labor, with wide powers and adequate funds to develop a really efficient federal system.
- 2. Coördination of the state and municipal public employment bureaus with the federal service, by means of the payment of federal subsidies to all bureaus which should conform to rules and regulations laid down by the director.
- 3. Organization, as part of the federal service, of clearing houses to draw the bureaus of neighboring states together in efficient coöperation and through a central clearing house in Washington to develop a truly national system.

The reasons for these features are almost self-explanatory. In the past efforts to build up a federal employment service have been handicapped because the only funds available for such a purpose were those of the Bureau of Immigration. Federal employment agents have thus come to be regarded as agents for finding jobs for aliens. Before the war this was a disadvantage; since, because of the widespread suspicion of the loyalty of aliens, it has become such a serious obstacle that the Secretary of Labor has for some time favored the transfer of all such work to a new division entirely independent of the Bureau of Immigration. In regard to the desirability of this change there is thus universal agreement among all impartial students of the problem.

In a country as vast and diversified as the United States, the task of connecting employers and employees must be performed largely by the states and municipalities through connected state and municipal bureaus. This is the policy to which the country is already committed, several state and municipal systems being already in efficient operation and new ones being added each year. The federal employment service should not only make fullest use of these existing agencies but should be in a position to strengthen them through financial subsidies, on condition that they cooperate whole-heartedly in the development of a national system by conforming to methods, forms, etc., prescribed for all alike by the federal director. Touching this feature there is general agreement among those who appreciate how difficult it is to hold the bureaus of the different states and municipalities to uniform and coöperative methods without the steady pull of a financial inducement, and how much these bureaus need ample funds to render their best service.

The organization of clearing houses as a special function of the federal service follows, as a matter of course from the chief purpose of the plan, the development of a truly national system. Premising that the states and municipalities with federal financial aid can develop systems for connecting employers and employees within their limits, it remains obviously the task of the federal government to care for the overflow, to see to it that surplus labor is withdrawn promptly to states having unfilled jobs, and that underpaid labor is guided to sections where better rates of pay prevail. The experience of New York City, with its clearing house organized last July under the Mayor's Committees of National Defense to connect the state, municipal, and non-commercial bureaus into a unified system, suggests the desirability of interstate clearing houses to render the same service on a national scale. As to this feature there is general agreement.

The bill supported by the Association of Public Employment Officials was introduced in Congress early in December through the American Association for Labor Legislation as the Robinson-Keating Bill. Since its principal features have the approval of nearly all of those interested in the subject, it may seem odd that its enactment into law has not been more vigorously urged by those behind it. The reason for this is that while its main features are approved some of its minor features have given rise to strong difference of opinion. Those whose primary concern is insuring an adequate supply of workers for our war industries object to the bill because it is not drawn more sharply as a war emergency measure. They would have the director subordinate to a board of representatives of the different departments and boards under which the war industries are being carried on, and his duties defined so that he would be practically the chief employment agent of these industries, able to marshal all of the employment bureaus of the country to their service. Another group is fearful lest such an emphasis on our war needs will serve to deprive the Department of Labor of its control over this important branch of the labor activities of the federal government. This difference and others are now being thrashed out in a strong committee in which the Department of Labor, the American Federation of Labor, the National Council of Defense, the Association of Public Employment Officials, the American Association for Labor Legislation, the Shipping Board, and the other departments and boards interested are all represented. There is good ground for hoping that this committee will soon agree on a bill which these different organizations will support, and that so soon as they do legislation will speedily follow.

Fortunately, though legislation is temporarily delayed, action in the direction of developing an adequate federal employment service need not be. The great obstacle in the past has been, not lack of power in the Department of Labor to develop such a service, but lack of financial means. Congress partly relieved this lack by appropriating \$250,000 for this purpose just before its adjournment last fall. The President has recently supplemented this appropriation by a substantially larger grant from his special emergency fund. As a consequence of the aid received from these two sources, the Department now has ample funds to put into effect rapidly plans it has long had under consideration. Its first step in this direction was the opening of a War Emergency Employment Bureau in Seattle to secure workers for the shipyards.

Agents representing the Department of Labor and the Shipping Board were despatched from Washington to Seattle with instructions that they were to secure the cooperation of the local employers and the local leaders of organized labor before proceeding with their plans. Having secured this support and having organized an advisory committee of employers and employees' representatives, they organized an efficient local staff, opened a local employment bureau, and made it a center for connecting with all of the state and municipal employment bureaus in that section of the country. Through vigorous advertising and personal efforts, hundreds and thousands of workers have been attracted to Seattle from the less essential industries of the interior; and the changes to the two and three shift systems desired by the shipyards and by the Shipping Board, which is constantly urging them on to more rapid production, have been made not only possibilities but virtual certainties.

There seems to be no reason, if men of the right type are secured for the task, why similar war emergency bureaus should not be opened in the other important shipbuilding centers, not to compete with existing bureaus, but to coordinate them into a really efficient mechanism for drawing all unemployed men and women into profitable employment and shifting those already employed from unessential to essential industries. Before this last task can be fully accomplished, some authority will have to be created to declare what industries are essential and what unessential. Since this step is slow in the taking—like so many steps in the development of our war program on the industrial side—the task of the federal employment service will be for some time that of securing work in essential industries for all the unemployed and underpaid in every part of the country. It is interesting to note that that task is now so far from accomplished that there are heated controversies in every department at Washington whether there is not plenty of labor available for all the war industries or whether a policy of dilution like that found necessary in the United Kingdom is not already required here. Only when we have an efficient and adequate federal employment service can this question be authoritatively answered.

As indicated, the Department of Labor plans to open war emergency employment bureaus in all centers where war industries are actively carried on and seem to require such aid to secure the workers they need. The success of these bureaus will depend very

largely on the local reception accorded them. May I bespeak from those present their help in their respective localities when such bureaus are started, and also their active support for whatever bill may emerge from the committee conferences now going on in Washington?

This bill should contain the three features of the Robinson-Keating Bill already enumerated: concentration of all federal employment activities in a director in the Department of Labor with ample funds; coördination under this director of the state and municipal bureaus bound together and strengthened by federal subsidies; organization, as the distinctive contribution of the federal service, of a national labor clearing house at Washington and of interstate clearing houses throughout the country. In addition it should bring the director into close relations with the essential industries by creating perhaps an advisory board composed of representatives from the departments and boards carrying on war work and empower him to proceed with the organization of war emergency bureaus like that at Seattle, wherever they may be needed. Such a measure merits your active and vigorous support because there is no contribution toward our efficient prosecution of the war that is more needed just now than the coördination of the federal, state, and municipal employment bureaus which it would help to bring about.